

**EXHIBIT 19 TO  
GOOGLE MOTION FOR  
SUMMARY JUDGMENT  
REDACTED VERSION**

## SECTION 3 Startup Talent Competition (13-Oct-10)



## Startup Talent Competition

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**OVERVIEW**

In 2010 to date, [REDACTED] of technical employees who reported leaving Google for another company went to a startup organization. Of these employees, the highest percentage [REDACTED] went to Facebook.

Our research indicates that Google continues to be one of the top organizations targeted by Facebook recruiting efforts. We estimate [REDACTED] of new Facebook employees in 2010 were recruited from Google.

In Q3, Facebook made [REDACTED] offers to Googlers (vs. [REDACTED] in Q2). We extended counteroffers to [REDACTED] of these employees, of which [REDACTED] were successful (vs. [REDACTED] in Q2). We attribute this upward trend to: (1) counteroffering most Facebook offers; (2) increasing our equity offers to the equivalent of [REDACTED] Facebook's equity offers at a [REDACTED] valuation (increased from [REDACTED] in late August); (3) further emphasis on [REDACTED] components of our counteroffers

We also launched a number of initiatives in late Q3 to support talent retention, including counteroffer training for our Engineering executives, more systematic Facebook exit interviews, a talent recovery pilot and research to anticipate which Google employees will be targeted by Facebook.

**FACEBOOK FORECAST**

At the LDCC's request, in April we created a 2-year forecast of the number of offers Facebook would make to Googlers. Due to the recent escalation of actual Facebook offers made to Googlers, we have updated our forecast and shortened the forecast period to four quarters only (see Attachment A for previous quarter's forecast). We also created a 4-quarter forecast of the number of exits to Facebook, based on our current counteroffer philosophy and a continued win rate of [REDACTED].

Facebook Offers to Googlers  
and Exits to Facebook

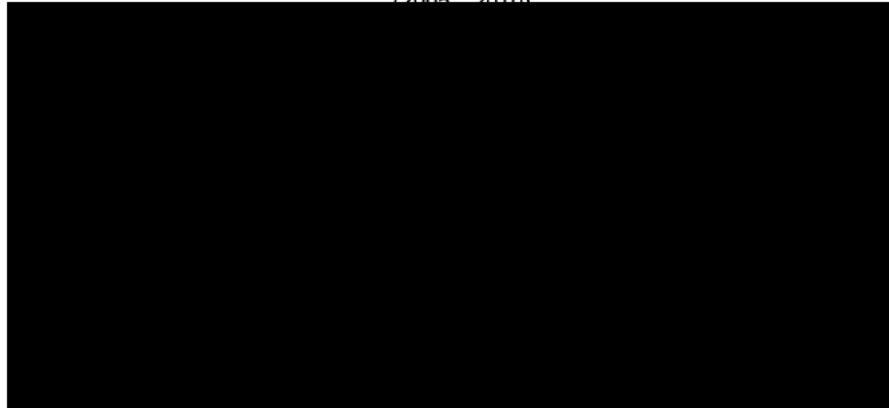
We propose measuring our success against the number of Facebook exits benchmark, since Google's efforts can affect the number of exits but not the number of Facebook offers.

**RECRUITING LANDSCAPE****Facebook Recruiting from Google**

In 2010 to date, [REDACTED] of technical employees who reported leaving Google for another company went to a startup organization. Facebook accounted for the highest proportion of these exits [REDACTED]

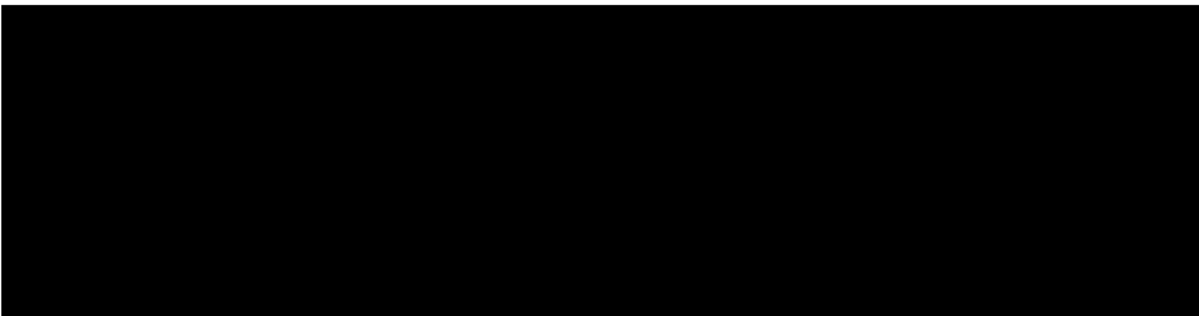
Since 2005, we estimate [REDACTED] of Facebook employees were recruited directly from Google. In 2010, we believe [REDACTED] were recruited directly from Google. The table below shows the top five sources of Facebook hires according to our analysis<sup>1</sup>.

Facebook Talent Sources as % of Hires  
(2005 - 2010)



# Confirmed FB hires	n = 165 / n = 71	n = 85 / n = 8	n = 53 / n = 5	n = 29 / n = 3	n = 4 / n = 3
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Based on our analysis, Facebook likely contacted about [REDACTED] of Googlers to yield the [REDACTED] hires from Google in 2010 to date. Making reasonable assumptions about Facebook's future recruiting capacity and Google's headcount growth, [REDACTED]

**FACEBOOK COUNTEROFFERS****Facebook Counteroffer Update**

- 1) Google's Competitive Intelligence Group has identified the names of [REDACTED] known current and former Facebook employees through public venues such as LinkedIn.com and Facebook.com. Google data represents known Google exits to Facebook with confidence intervals for unreported Facebook attrition. Non-Google data represents exits reported by employees in public venues with confidence intervals to reflect potential reporting errors (assumed to be similar in proportion to unreported GOOG exits). Confidence intervals were calculated by evaluating the rate previous Google employees disclosed their current employer as Facebook against our internal reporting.
- 2) Estimated total Facebook offers in 2010 based on known Facebook offers [REDACTED] estimated number of Googler Facebook candidates based on number of offers [REDACTED] estimated number of calls based on number of candidates [REDACTED] We assumed a [REDACTED] annual Google headcount growth 2011-2015, [REDACTED] in 2016+ and [REDACTED] annual Google attrition.

# Redacted

Sample of Q3 2010 Google Non-Monetary Offers

Function	Level	Title	Non-monetary counteroffer component	Won?
Eng/Ops			Redacted - Not Responsive	
Product				
Sales				

# Redacted

Additional counteroffer details are provided in the tables below:

Attrition to Facebook - Counteroffer Update

	Facebook	Google Made	Google Won	Googler Re-	Google Win rate as	
Date	Offer to Googler	Counteroffer	Counteroffer	hired from Facebook <sup>1</sup>	% of Counteroffers Made	
Q2 2007						
Q3 2007						
Q4 2007						
Q1 2008						
Q2 2008						
Q3 2008						
Q4 2008						
Q1 2009						
Q2 2009						
Q3 2009						
Q4 2009						
Q1 2010						
Q2 2010						
Q3 2010						
Total Number						
% of Total Facebook Offers						

Note: data as of 01-Oct-10

1) Rehires categorized based on date of original resignation (as opposed to date of rehire)

## SECTION 3 Startup Talent Competition (13-Oct-10)

Page 4 of 8

Function	Q3 2010 Facebook Offers			Q3 2010 Counteroffer Details		
	# Googlers Counteroffered	# Googlers Not Counteroffered	Total Offers Made to Googlers	Avg Counteroffer as Mult. of Facebook <sup>1</sup>	# Counteroffers Won	Google Win Rate as % of Counteroffers Made
Eng/Ops						
G&A						
Product						
Sales						
Total						

\*\*Data unavailable due to low n-count of disclosed Facebook equity offers

Updated as of 01-Oct-10

1) Reflects equity awards only; Facebook's base salary and bonus levels are generally similar to Google levels.

## Facebook Head-to-Head Candidate Update

In Q3, we extended [REDACTED] candidate offers. Of these candidates, [REDACTED] received a competing Facebook offer. Of these [REDACTED] accepted Google's offer.

Additional offer details are provided in the table below:

## Facebook Head-to-Head Candidate Update

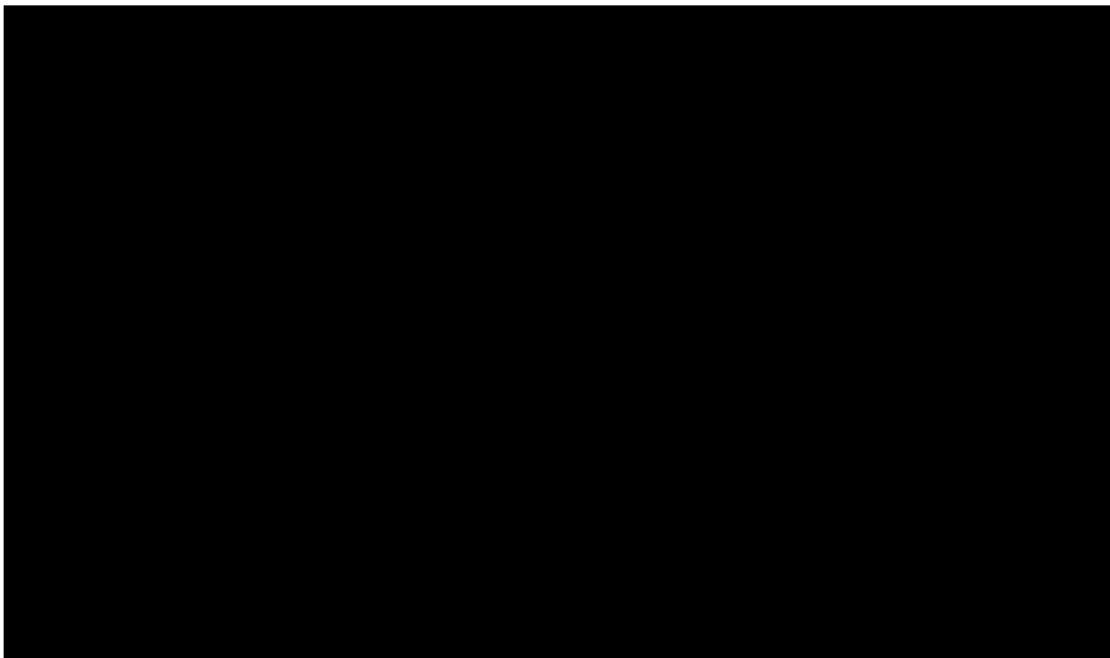
Date	Head-to-Head Candidates	Google Won Candidate	Google Win Rate as % Candidates
Q2 2007			
Q3 2007			
Q4 2007			
Q1 2008			
Q2 2008			
Q3 2008			
Q4 2008			
Q1 2009			
Q2 2009			
Q3 2009			
Q4 2009			
Q1 2010			
Q2 2010			
Q3 2010			
Total Number			

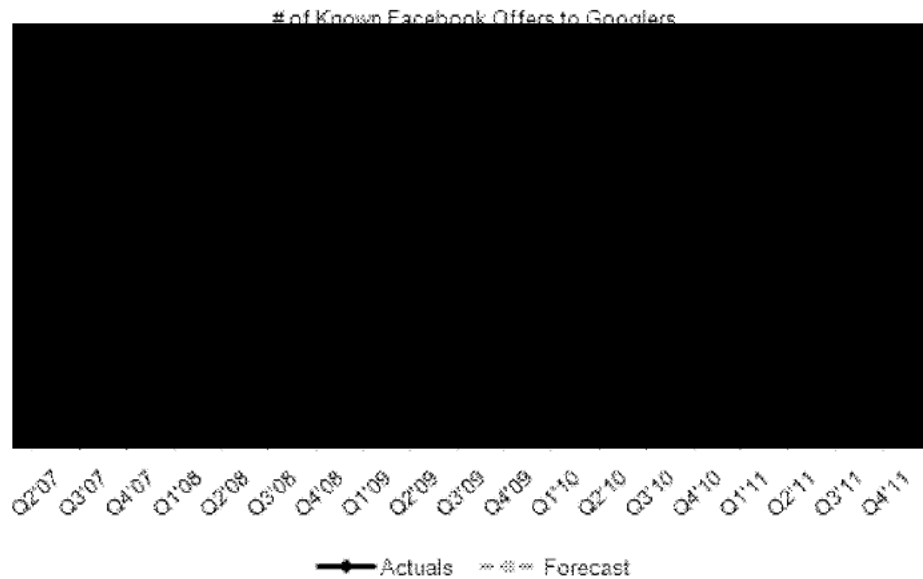
Note: data as of 01-Oct-10

**FUTURE STRATEGY**

To support talent retention and recovery against startups, we launched a number of new initiatives in late Q3, including:

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**ATTACHMENT A****Facebook Forecast as presented to the LDCC on July 14, 2010**

**ATTACHMENT B**

**Engineering Executive Talking Points**





